

REGION 6 EXECUTIVE SUMMARY

TOPIC: LACC, LLC US, Ethylene and Derivatives Plant (LACC/LCLA)

DATE: 1/3/2018

CONTACT: Kay Schwab, Mike Schaub

PURPOSE/ACTION NEEDED: EPA Response Letter due to LDEQ

DEADLINE DATE: LDEQ/ EPA agreed to a 1/12/18 extension.

BACKGROUND: LACC is a joint venture between Westlake Chemical Corp. & Lotte Chemical Louisiana (LCLA) in Westlake, Louisiana. The facility proposes to discharge to waterbodies with longtime/ongoing water quality impairments for which EPA has approved Total Maximum Daily Loads (TMDLs) for the pollutants of concern to restore the waterbodies' designated uses. Construction for this new ethylene and derivatives manufacturing facility is ongoing.

CURRENT STATUS: EPA and LDEQ had a conference call on 12/12/17 to discuss EPA concerns regarding unclear implementation of the TMDLs and possible authorizations of loadings in excess of the TMDLs due to a historic lack of accounting for the pollutants of concern loadings. EPA proposed possible solutions which could require more stringent permit limitations. LDEQ plans to discuss the issues with the permittees. (LDEQ stated that communications with Lotte Chemical Corp., based in South Korea will take some time.) As of 1/3/18, LDEQ has not received a response from the permittee.

ENVIRONMENTAL/PUBLIC HEALTH CONCERNS: Subsegment 030301, Calcasieu River Ship Channel and Subsegment 030901, Bayou D'Inde have historic and ongoing impairments to fish and wildlife propagation & primary contact recreation. Implementation of *TMDLs for Toxics for the Calcasieu Estuary* (2002) and *TMDL for Dissolved Oxygen for Calcasieu Estuary* (2002) has not led to restored water quality. There is also an updated (2016) fish consumption advisory due to polychlorinated biphenyls (PCBs), etc.

TECHNICAL CONCERNS:

- LDEQ's unclear tracking and accounting of point source wasteload allocations for the pollutants of concern from 2002 forward for the cited TMDLs.
- LDEQ's use of the Margin of Safety for additional point source loadings and the implications that this may have on other TMDLs in Louisiana.

REGULATORY/LEGAL REQUIREMENTS:

- 40 CFR 136 requires that approved TMDLs be incorporated in the state's Water Quality Management Plan (WQMP). Revisions to TMDLs must be approved by EPA.
- 40 CFR 122 also requires that NPDES permits implement the requirements of the TMDLs.
- Information needed regarding TMDL "changes" is not accessible to EPA/stakeholders.

COMMUNITY CONCERNS: This new facility has economic significance (i.e., ~\$2.7 billion capital in plant and jobs will be generated in construction and operations). It is surrounded by several other similar facilities which will interact regarding operations, raw materials, power and cooling water resources, etc.

RECOMMENDATIONS:

Information-only at this time. An update will follow if EPA concerns cannot be resolved.

 **W**orkforce Diversity, **E**nvironmental Stewardship **C**haracter, **A**ccountability, **R**espect, **E**xcellence